COURT NO.2

IN THE HIGH COURT OF UTTARANCHAL AT NAINITAL

Income Tax Appeal No. 201 of 2001

M/s Sedco Forex Intl. Drilling In.
As agent of its employee Mr. G. Creff,
company incorporated in the Republic of Panama,
Having its registered office at No. 8, Acqutino de la
Guardia Street, City of Panama, Republic of Panama,
Present address C/o A.F. Ferguson & Co., Makers Towers,
4th Floor, Cuffe Parade, Mumbai

..... Appellant

Versus

1. The Commissioner of Income Tax, Meerut having office at Income Tax Officer, Opp. Bhasali Ground, Meerut
2. The Deputy Commissioner of Income Tax, Special Rang-1, Dehradun having office at Subhash Road, Dehradun 248001

..... Respondents

Dated: March 23, 2006

Coram: Hon. P.C. Verma, J.
Hon. B.C. Kandpal, J.

Both the parties are ready to argue the matter today.

2. This appeal has been preferred against the order dated 20.04.2000 for the assessment year 1989-90, passed by the Income Tax Appellate Tribunal, (Bench 'E' New Delhi).

3. The learned counsel for the parties agree that only the following only two questions of law arises in this appeal for

the determination. They do not press the rest of the questions framed in the appeal:-

1. *Whether the learned I.T.A.T. has erred in law in holding that the appellants have failed to satisfy the condition that "the remuneration is not deductible in computing the profits of an enterprise chargeable to tax in that other State?''*

2. *"Whether, the learned I.T.A.T. has erred in law in holding that the appellants are not governed by the provisions of the Agreement for Avoidance of Double Taxation (AADT)*

4. The aforementioned questions were answered by the Division Bench of this Court {in which one of us (P.C. Verma, J.) was a member} in case of "Sedco Forex International Inc. Vs. The Commissioner of Income Tax and another", which was decided on 22.07.2005 in Income Tax Appeal No. 165 of 2001. In the said judgment, the questions framed in the said appeal were answered in favour of the Revenue.

5. Following the above-mentioned judgment of a Division Bench of this Court, we dismiss this appeal.

(B.C.Kandpal, J.) **(P.C. Verma, J.)**

Rajeev Dang